



State of Wisconsin
Department of Health and Family Services

Jim Doyle, Governor
Helene Nelson, Secretary

Medicaid Administrative Claiming Initiative

	FY 04		FY 05	
	GPR	All Funds	GPR	All Funds
Funds Allocated to Counties		\$2,275,000		\$5,460,000
Funds for State Use		\$2,275,000		\$5,460,000
Total		\$4,550,000		\$10,920,000

Description of Proposal

- Establish a state/county initiative to increase federal revenue by claiming federal Medicaid (MA) funding for MA administrative activities carried out by counties.
- Provide half of the new federal funding to counties to spend for the same purposes as Community Aids. The other half would be available for state use.

Background

- Currently, counties perform administrative activities to support the operation of the MA program, such as MA outreach, facilitating MA applications, and referral, coordination and monitoring of MA services.
- Currently, many of these activities are funded 100% with Community Aids, county match and/or county tax levy funding. Portions of these costs are eligible for federal MA funding.
- Over the past year, DHFS has done analysis and preparatory work, including working with a vendor with specialized expertise in this area and three pilot counties (Kenosha, Walworth, and Milwaukee) to determine the feasibility and implementation steps needed to claim this federal revenue.

Rationale for Proposal

- The Department estimates that the initiative will generate approximately \$11 million in new federal revenue on an annual basis when fully implemented, assuming all large or all large and most other counties participate.
- Providing 50% of the new revenue to counties covers the county costs for the initiative and provides an incentive for county participation.
- Department staff are seeking to minimize county administrative costs by using existing reporting tools and procedures.
- The proposed 50/50 state/county revenue-sharing arrangement is similar to the revenue-sharing arrangement currently in place, by statute, for federal foster care (Title IV-E) funding that exceeds budgeted levels.
- No new state GPR funding is required to capture this federal funding.